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BIWEEKLY REPORT

SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN UNDERDEVELOPED AREAS

EIC-WGR-1/36

24 June 1957

**PREPARED BY THE WORKING GROUP
ON SINO-SOVIET BLOC ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS**

ECONOMIC INTELLIGENCE COMMITTEE



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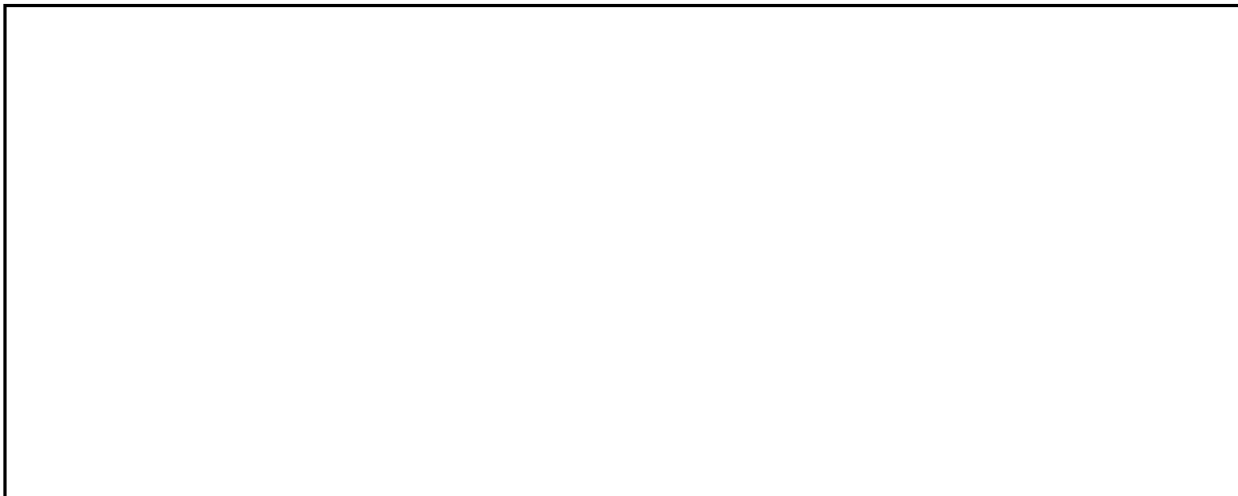
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Summary of Events

7 - 20 June 1957

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Czechoslovakia has also been active in other areas of the Free World. The government of Ceylon has requested a team of Czechoslovak experts to advise on the establishment of a hydroelectric plant, Afghanistan has signed a contract with Czechoslovakia for the construction of a vehicle repair shop valued at \$420,000, and Egypt has contracted with a Czechoslovak firm for the construction of a bicycle factory designed to produce 30,000 units a year.

In the Far East, Cambodia has signed an accord with the USSR providing for the construction of a 500-bed hospital. Cambodia has also received the third shipment of aid goods from Communist China shipped under the terms of a grant agreement whereby the commodities are to be sold by the Cambodian government and the proceeds used to finance Chinese Communist aid projects in Cambodia.

In the Middle East and Africa, in addition to the Czechoslovak activities in Egypt, Bloc countries were active in Syria and Ethiopia. A textile factory in Syria has contracted to purchase new machinery and equipment valued at more than \$500,000 from

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the USSR, and Bulgaria has apparently secured a concession from Ethiopia permitting the construction of a meat-packing plant in Eritrea.

In Latin America, no accord had been reached on a proposed inter-bank payments agreement between Uruguay and Communist China, even though the Chinese delegation had been in Uruguay since 1 May. Both the Uruguayans and the Chinese, however, are showing great interest in concluding some type of trade arrangement for the sale of Uruguayan wool and wool products to China. Despite the negligible trade between Colombia and East Germany under the terms of both a 1955 and a 1956 trading agreement, the two countries have renewed their trade agreement for 1957.

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